

**WAKARUSA TOWNSHIP**  
DOUGLAS COUNTY, KANSAS

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018  
AND

INDEPENDENT AUDITORS' REPORT

**Gregg A. Neis CPA**

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CERTIFIED PUBLIC ACCOUNTANT

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**WAKARUSA TOWNSHIP**  
**DOUGLAS COUNTY, KANSAS**

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## INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

January 22, 2019

Board of Trustees  
Wakarusa Township, Douglas County, Kansas

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Wakarusa Township, Douglas County, Kansas as of and for the year ended December 31, 2018, and the related notes to the financial statement.

### Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

My responsibility is to express an opinion on the financial statement based on my audit. I conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the Wakarusa Township, Douglas County, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a regulatory basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.



Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Wakarusa Township, Douglas County, Kansas as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Wakarusa Township, Douglas County, Kansas as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Regulatory Required Supplementary Information

My audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

I also previously audited in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Wakarusa Township, Douglas County, Kansas, as of and for the year ended December 31, 2017 not presented herein), and issued my report thereon dated January 22, 2018, which contained an unmodified opinion on the basis financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration web address <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual columns (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents) are presented for additional analysis and are not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2017, on the basis of accounting described in Note 1.

  
Gregg A. Neis CPA

WAKARUSA TOWNSHIP  
DOUGLAS COUNTY, KANSAS

**Summary of Cash Receipts, Expenditures and Unencumbered Cash**  
Regulatory Basis  
For the Year Ended December 31, 2018

| <u>Funds</u>                    | <u>Beginning<br/>Unencumbered<br/>Balance</u> | <u>Prior Year<br/>Cancelled<br/>Encumbrances</u> | <u>Cash Receipts</u> | <u>Expenditures</u> | <u>Ending<br/>Unencumbered<br/>Cash Balance</u> | <u>Add<br/>Outstanding<br/>Encumbrances<br/>and Accounts<br/>Payable</u> | <u>Ending<br/>Cash Balance</u> |
|---------------------------------|---|--|----------------------|---------------------|---|--|--------------------------------|
| <b>Governmental Type Funds:</b> |   |  |                      |                     |   |  |                                |
| General                         | \$ 147,554                                    | \$ -   | \$ 1,992,081         | \$ 1,711,171        | \$ 428,464                                      | \$ 114   | \$ 428,578                     |
| <b>Special Revenue Funds</b>    |   |  |                      |                     |   |  |                                |
| Special Machinery Reserve       | 313,934                                       |  | 70,777               | 255,135             | 129,576   |  | 129,576                        |
| Special Fire Protection Reserve | -   |  | -                    | -                   | -   |  | -                              |
| <b>Total Reporting Entity</b>   | <u>\$ 461,488</u>                             | <u>\$ -</u>                                      | <u>\$ 2,062,858</u>  | <u>\$ 1,966,306</u> | <u>\$ 558,040</u>                               |  | <u>\$ 558,154</u>              |
| <b>Composition of Cash</b>      |   |  |                      |                     |   |  |                                |
|                                 |   |  |                      |                     |   | <b>Total Cash</b>  |                                |
|                                 |   |  |                      |                     |   |  | \$ 34,879                      |
|                                 |   |  |                      |                     |   |  | 529,184                        |
|                                 |   |  |                      |                     |   |  | 5,909                          |
|                                 |   |  |                      |                     |   |  | <u>\$ 558,154</u>              |

Central Bank of Midwest, Lawrence, Kansas  
Checking accounts  
Savings accounts  
Less outstanding checks

The accompanying notes to financial statements are an integral part of this statement.



**WAKARUSA TOWNSHIP**  
**DOUGLAS COUNTY, KANSAS**

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**NOTE 1 - Summary of Significant Accounting Policies**

**Financial Reporting Entity**

Wakarusa Township, Douglas County, Kansas, (the Township) is a municipal corporation governed by an elected three member Board of Trustees. The regulatory financial statement presents all funds over which the Board of Trustees exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

**Basis of Accounting**

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG)* regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The Township has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the Township to use the regulatory basis of accounting.

**Departure from Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts (except as noted), cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the Township are not presented in the financial statements. Also, long-term debt such as general obligation bonds, temporary notes and compensated absences are not presented in the financial statements. Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase, as required by state statutes.

**WAKARUSA TOWNSHIP**  
DOUGLAS COUNTY, KANSAS

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**NOTE 1 - SUMMARY OF ACCOUNTING POLICIES – Continued**

**Regulatory Basis Fund Types**

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the Township:

**Governmental Funds**

General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Fund - to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

**Deposits and Investments**

**Deposits**

K.S. A. 9-1401 establishes the depositories which may be used by the Township. The statute requires banks eligible to hold Township's funds have a main or branch bank in the county in which the Township is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A.9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Township has no other policies that would further limit interest rate risk.

*Investments.* K.S. A. 12-1675 limits the Township's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; US government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Township has no investment policy that would further limit its investment choices.

*Concentration of credit risk* State statutes place no limit on the amount the Township may invest in any one issuer as long as the investments are adequately secured under K.S.A.9-1402 and 9-1405.

*Custodial credit risk- deposits.* Custodial credit risk is the risk that in event of a bank failure, the Township's deposits in financial institutions to be entirely covered by federal depository insurance(FDIC) or collateral held under a joint custody receipt issued by a bank within the State of Kansas, the federal reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured December 31, 2018.



**WAKARUSA TOWNSHIP**  
DOUGLAS COUNTY, KANSAS

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**NOTE 1 - SUMMARY OF ACCOUNTING POLICIES – Continued**

At December 31, 2018 the carrying amount of the Township's deposits, was \$558,154. The bank balance was \$564,063. The bank balance was held at one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining \$314,052 was collateralized by securities held by the pledging institution's agents in the Township's name.

*Custodial credit risk- investments.* For an investment, this is the risk that, in the event of the failure the issuer or counterparty, the Township, will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

**Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), debt service funds, and enterprise funds. Although directory rather than mandatory, the statutes provide the following sequence and timetable in the adoption of the legal operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1<sup>st</sup>.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5<sup>th</sup>.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing. Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the current year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the Township for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, agency funds and the following special purpose funds:



**WAKARUSA TOWNSHIP**  
DOUGLAS COUNTY, KANSAS

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**NOTE 1 - SUMMARY OF ACCOUNTING POLICIES – Continued**

Special Machinery Reserve Fund  
Special Fire Protection Reserve Fund

Spending in funds which are not subject to the legal annual operating budget requirements are controlled by federal regulation, other statutes, or by the use of internal spending limits established by the governing body.

**NOTE 2 - LONG TERM DEBT**

The following schedule shows the changes in long-term debt and related maturities.

| Issue and Date  | Interest Rate | Original Amount   | Balance 1/1/2018  | Additions     | Principal Payments | Balance 12/31/2018 | Interest Paid   |
|-----------------|---------------|-------------------|-------------------|---------------|--------------------|--------------------|-----------------|
| Capital Leases  |               |                   |                   |               |                    |                    |                 |
| Fire            |               |                   |                   |               |                    |                    |                 |
| Truck 7/29/2013 | 2.26%         | <u>330,532</u>    | <u>148,213</u>    | <u>0</u>      | <u>48,304</u>      | <u>99,909</u>      | <u>3,350</u>    |
|                 |               | <u>\$ 330,532</u> | <u>\$ 148,213</u> | <u>\$ , 0</u> | <u>\$ 48,304</u>   | <u>\$ 99,909</u>   | <u>\$ 3,350</u> |

Maturity Schedule

|      | Principal Due    | Interest Due    |
|------|------------------|-----------------|
| 2019 | 49,396           | 2,258           |
| 2020 | <u>50,513</u>    | <u>1,142</u>    |
|      | <u>\$ 99,909</u> | <u>\$ 3,400</u> |

**NOTE 3- DEFINED BENEFIT PENSION PLAN**

Wakarusa Township participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing KPERS (611 South Kansas Avenue; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

Contributions K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structure and contribution rates depending on whether the employee is a KPERS 1 KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009.

**WAKARUSA TOWNSHIP**  
DOUGLAS COUNTY, KANSAS

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**NOTE 3- DEFINED BENEFIT PENSION PLAN - Continued**

KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. The Township employer contributions to KPERS for the year ending December 31, 2018, were \$30,356, equal to the statutory required contributions for the year.

*Net Pension Liability:* At December 31, 2018, the Township's proportionate share of the collective net pension liability reported by KPERS was \$ 246,258. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The Township's proportion of the net pension liability was based on the ratio of the Township's contribution to KPERS relative to the total employer and non-employer contributions of the Local subgroup of KPERS. Since the KMMAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report may be obtained from the web site of KPERS at the following link [www.kpers.org](http://www.kpers.org).

**NOTE 4 - COMPENSATED ABSENCES**

The Township's policy regarding vacation leave allows employees to earn vacation time based upon length of service. Annual vacation time is payable upon termination of employment. Sick leave is earned by full time road department employees at 4 hours per pay period and at 6 hours per pay period by full time fire department employees. Sick leave may be accumulated to a maximum of 1320 hours. Upon termination of employment, 1/3 of accrued sick leave up to the maximum hours shall be payable to the employee if the employee has at least two years of service. At December 31, 2018, the Township has estimated the cost of accumulated sick pay or vacation time at \$ 13,500.

**NOTE 5 - INTERFUND TRANSACTIONS**

Operating transfers were as follows:

| <u>From</u>  | <u>To</u>                 | <u>Statutory<br/>Authority</u> | <u>Amount</u> |
|--------------|---------------------------|--------------------------------|---------------|
| General Fund | Special Machinery Reserve | K.S.A. 68-141g                 | \$ 67,650     |



**WAKARUSA TOWNSHIP**  
DOUGLAS COUNTY, KANSAS

**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2018

**NOTE 6- DATE OF MANAGEMENT'S OF REVIEW**

Subsequent events were evaluated through January 22, 2019 which is the date financial statements were available to be issued.

**NOTE 7 – RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance during the past fiscal year.

**NOTE 8 – FIRE STATION CONSTRUCTION**

The Township entered into a contract to build a new fire station on September 13, 2016 with Hastco Inc. at an original contract amount and approved change orders of \$1,384,496. The amount paid during 2017 was \$ 932,644. The Township approved final payment of \$33,000 on January 9, 2018.

**NOTE 9 – KDOT ROAD DAMAGE COMPENSATION**

The Township entered into an agreement with the Kansas Department of Transportation (KDOT) on November 3, 2017 for compensation for road damages caused by a KDOT road construction project. The total amount of the compensation is \$461,891, is to be paid as the township incurs costs to repair the roads. The Township received \$238,800 during 2018 from KDOT on this agreement..

WAKARUSA TOWNSHIP  
DOUGLAS COUNTY, KANSAS

**Summary of Expenditures - Actual and Budget**  
For the Year Ended December 31, 2018

| <u>Funds</u>                    | <u>Certified<br/>Budget</u> | <u>Adjustment for<br/>Qualifying<br/>Budget Credits</u> | <u>Total<br/>Budget for<br/>Comparison</u> | <u>Expenditures<br/>Chargeable to<br/>Current Year</u> | <u>Variance-<br/>Favorable<br/>(Unfavorable)</u> |
|---------------------------------|-----------------------------|---|--|--|--|
| <b>Governmental Type Funds:</b> |                             |   |  |  |  |
| General                         | \$ 1,955,208                | \$ 25,340   | \$ 1,980,548                               | \$ 1,711,171   | \$ 269,377                                       |

See independent auditor's report on the required supplementary information.



WAKARUSA TOWNSHIP  
DOUGLAS COUNTY, KANSAS

**GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the year ended December 31, 2018

(With Comparative Actual Amounts for the Year Ended December 31, 2017)

|  | Prior Year Actual      | General Dept        | Fire Dept           | Road Dept           | Current Year<br>Total Actual | Budget              | Variance-Over (Under) |
|--|------------------------|---------------------|---------------------|---------------------|------------------------------|---------------------|-----------------------|
| <b>Cash Receipts</b>   |                        |                     |                     |                     |                              |                     |                       |
| Douglas County Treasurer   |                        |                     |                     |                     |                              |                     |                       |
| Ad Valorem Property Taxes  | \$ 1,619,589           | \$ 1,593,744        | \$ -                | \$ -                | \$ 1,593,744                 | \$ 1,602,377        | \$ (8,633)            |
| Delinquent Property Tax  | 6,276                  | 11,175              |                     |                     | 11,175                       | 3,500               | 7,675                 |
| Commercial Vehicle   | 3,346                  | 3,688               |                     |                     | 3,688                        |                     | 3,688                 |
| Motor Vehicle Taxes  | 64,833                 | 69,911              |                     |                     | 69,911                       | 58,735              | 11,176                |
| Watercraft   | 779                    | 821                 |                     |                     | 821                          | 667                 | 154                   |
| Recreational Vehicle Taxes   | 1,241                  | 1,298               |                     |                     | 1,298                        | 939                 | 359                   |
| 16/20 Motor Vehicle Taxes  | 1,018                  | 955                 |                     |                     | 955                          | 911                 | 44                    |
| Special Highway/Gasoline Taxes   | 32,557                 | 34,236              |                     |                     | 34,236                       | 25,000              | 9,236                 |
| Flood Control  | 198                    | 205                 |                     |                     | 205                          | 100                 | 105                   |
| Reimbursement Insurance  | 5,004                  |                     |                     |                     |                              | 1,000               | (1,000)               |
| Reimbursement KDOT Settlement  |                        |                     |                     | 238,800             | 238,800                      |                     | 238,800               |
| Reimbursement Equipment Sale   |                        |                     |                     | 3,320               | 3,320                        |                     | 3,320                 |
| Road Maintenance Reimbursement   | 26,886                 |                     |                     | 25,340              | 25,340                       | 5,000               | 20,340                |
| Reimbursement Fire   |                        |                     | 7,868               |                     | 7,868                        |                     | 7,868                 |
| Interest on Checking   | 692                    | 720                 |                     |                     | 720                          | 500                 | 220                   |
| <b>Total Cash Receipts</b>   | <b>\$ 1,762,219.00</b> | <b>\$ 1,716,753</b> | <b>\$ 7,868</b>     | <b>\$ 267,460</b>   | <b>\$ 1,992,081.00</b>       | <b>\$ 1,898,729</b> | <b>\$ 293,352</b>     |
| <b>Expenditures</b>  |                        |                     |                     |                     |                              |                     |                       |
| Wages  | \$ 322,288             | \$ 1,800            | \$ 187,632          | \$ 143,035          | \$ 332,467                   | \$ 340,000          | \$ 7,533              |
| Payroll Taxes and Employee Benefits  | 93,476                 | 105,516             |                     |                     | 105,516                      | 107,500             | 1,984                 |
| Officers Pay   | 14,400                 | 14,400              |                     |                     | 14,400                       | 14,500              | 100                   |
| Hired Services & Bookkeeping   | 7,150                  | 12,200              |                     | 339                 | 12,539                       | 7,000               | (5,539)               |
| Fire Fighters Fund   | 2,365                  |                     | 11,395              |                     |                              |                     |                       |
| Insurance  | 41,025                 | 46,238              |                     |                     | 46,238                       | 55,000              | 8,762                 |
| Fuel   | 28,838                 | 825                 | 11,934              | 28,606              | 41,365                       | 28,500              | (12,865)              |
| Repairs and Maintenance  | 12,949                 |                     | 25,621              |                     | 25,621                       | 17,500              | (8,121)               |
| Building Repairs and Maintenance   | 19,679                 |                     | 16,206              | 619                 | 16,825                       | 3,600               | (13,225)              |
| Road Materials   | 546,727                |                     | 890,631             |                     | 890,631                      | 751,454             | (139,177)             |
| Supplies & Repairs   | 53,181                 |                     | 3,799               | 45,611              | 49,410                       | 51,000              | 1,590                 |
| Capital Expense - Fire Station Building                                    | 605,644                |                     |                     |                     |                              | 150,000             | 150,000               |
| Capital Expense Fire Equipment Lease                                       | 51,654                 |                     | 51,654              |                     | 51,654                       |                     |                       |
| Fire Tanker  |                        |                     |                     |                     |                              |                     |                       |
| Equipment  | 3,855                  |                     | 2,909               |                     | 2,909                        | 32,500              | 29,591                |
| Office & Fees  | 9,989                  | 1,212               | 3,710               |                     | 4,922                        | 9,000               | 4,078                 |
| Utilities & Phone  | 32,249                 | 31,762              | 1,286               | 920                 | 33,968                       | 26,000              | (7,968)               |
| Training and Testing   | 5,796                  |                     | 1,662               |                     | 1,662                        | 10,000              | 8,338                 |
| Miscellaneous  | 1,091                  |                     | 1,999               |                     | 1,999                        |                     |                       |
| <b>Total expenditures</b>  | <b>\$ 1,852,356</b>    | <b>\$ 213,953</b>   | <b>\$ 319,807</b>   | <b>\$ 1,109,761</b> | <b>\$ 1,643,521</b>          | <b>\$ 1,655,208</b> | <b>\$ (11,687)</b>    |
| <b>Receipts Over (Under) Expenditures</b>                                  | <b>(90,137)</b>        | <b>1,502,800</b>    | <b>(311,939)</b>    | <b>(842,301)</b>    | <b>348,560</b>               | <b>43,521</b>       | <b>305,039</b>        |
| <b>Other Financing Sources (Uses)</b>                                      |                        |                     |                     |                     |                              |                     |                       |
| Operating transfers out  | (65,319)               | (67,650)            |                     |                     | (67,650)                     | (300,000)           | 232,350               |
| Total other financing sources (uses)                                       | (65,319)               | (67,650)            |                     |                     | (67,650)                     | (300,000)           | 232,350               |
| <b>Receipts and Other Sources Over (Under) Expenditures and Other Uses</b> | <b>(155,456)</b>       | <b>1,435,150</b>    | <b>(311,939)</b>    | <b>(842,301)</b>    | <b>280,910</b>               | <b>(256,479)</b>    | <b>537,389</b>        |
| <b>Unencumbered Cash Balance - Beginning</b>                               | <b>303,010</b>         | <b>147,554</b>      |                     |                     | <b>147,554</b>               | <b>256,479</b>      | <b>(108,925)</b>      |
| <b>Prior Year Cancelled Encumbrance</b>                                    |                        |                     |                     |                     |                              |                     |                       |
| <b>Unencumbered Cash Balance - Ending</b>                                  | <b>\$ 147,554</b>      | <b>\$ 1,582,704</b> | <b>\$ (311,939)</b> | <b>\$ (842,301)</b> | <b>\$ 428,464</b>            | <b>\$ -</b>         | <b>\$ 428,464</b>     |

See independent auditor's report on the required supplementary information.

WAKARUSA TOWNSHIP  
DOUGLAS COUNTY, KANSAS

**SPECIAL MACHINERY RESERVE AND SPECIAL FIRE PROTECTION RESERVE**

Schedule of Receipts and Expenditures – Actual\*

Regulatory Basis

For the year ended December 31, 2018

(With Comparative Actual Amounts for the Year Ended December 31, 2017)

|   | Prior Year<br>Actual | Current Year<br>Actual |
|---|----------------------|------------------------|
| <b>Special Machinery Reserve</b>                  |                      |                        |
| <b>Cash Receipts</b>                              |                      |                        |
| Interest on savings                               | \$ 394               | \$ 362                 |
| Equipment sales                                   | 14,000               | 2,765                  |
| Total Cash Receipts                               | <u>14,394</u>        | <u>3,127</u>           |
| <b>Expenditures</b>                               |                      |                        |
| Road Equipment                                    | 62,322               | 164,876                |
| Fire Equipment                                    | 10,104               | 90,259                 |
| Capital Improvements                              |                      |                        |
| Total expenditures                                | <u>72,426</u>        | <u>255,135</u>         |
| <b>Receipts Over (Under) Expenditures</b>         | <u>(58,032)</u>      | <u>(252,008)</u>       |
| <b>Other Financing Sources (Uses)</b>             |                      |                        |
| Fire equipment lease purchase payments            | -                    | -                      |
| Operating transfers in                            | 65,319               | 67,650                 |
| Total other financing sources (uses)              | <u>65,319</u>        | <u>67,650</u>          |
| <b>Receipts and Other Sources Over (Under)</b>    |                      |                        |
| <b>Expenditures and Other Uses</b>                | 7,287                | (184,358)              |
| <b>Unencumbered Cash Balance - Beginning</b>      | <u>306,647</u>       | <u>313,934</u>         |
| <b>Unencumbered Cash Balance - Ending</b>         | <u>\$ 313,934</u>    | <u>\$ 129,576</u>      |
| <i>*This fund is not required to be budgeted.</i> |                      |                        |
| <b>Special Fire Protection Reserve</b>            |                      |                        |
| <b>Cash Receipts</b>                              | Prior Year           | Actual                 |
| Interest on savings                               | \$ -                 | \$ -                   |
| Total Cash Receipts                               | <u>-</u>             | <u>-</u>               |
| <b>Expenditures</b>                               |                      |                        |
| Capital Improvements Fire Station                 | 300,000              |                        |
| Total expenditures                                | <u>300,000</u>       | <u>-</u>               |
| <b>Receipts Over (Under) Expenditures</b>         | <u>(300,000)</u>     | <u>-</u>               |
| <b>Other Financing Sources (Uses)</b>             |                      |                        |
| Operating transfers in                            | -                    | -                      |
| Total other financing sources (uses)              | <u>-</u>             | <u>-</u>               |
| <b>Receipts and Other Sources Over (Under)</b>    |                      |                        |
| <b>Expenditures and Other Uses</b>                | (300,000)            | -                      |
| <b>Unencumbered Cash Balance - Beginning</b>      | <u>300,000</u>       | <u>-</u>               |
| <b>Unencumbered Cash Balance - Ending</b>         | <u>\$ -</u>          | <u>\$ -</u>            |
| <i>*This fund is not required to be budgeted.</i> |                      |                        |

See independent auditor's report on the required supplementary information.